

and this administration is coming before this body and saying they need \$6,000 per phone.

They want \$33,000 per pickup truck. We have a lot of pickup trucks in our State. We have more pickup trucks being sold than any other kind of automobiles. The average cost of an award winning American truck is \$15,400, and they want us to spend \$33,000 per truck in Iraq.

They want us to pay \$50,000 per prison bed. In this country, it costs \$14,000 to build a prison bed. I don't know who did these calculations, but they seem an awful lot more eager to spend money in Iraq than they are to spend money in this country. It goes on and on.

They want \$10,000 a month for business school in Iraq. In our country, it costs \$4,000 a month for the best business schools, and we are going to be telling the American taxpayers they should spend \$10,000 per month for business school? Who put these numbers together? Who came up with this plan?

The one that maybe is most incredible of all is the witness protection program. They want \$200,000 per family member. For a family of five, that is \$1 million, and \$100 million to protect 100 families. In our country, the witness protection program costs \$10,000 per witness. In Iraq, this is going to cost \$1 million for a family of five. We don't have a witness protection program like that in this country. We have nothing like it. This is 20 times as much in Iraq.

They want \$333 for 30 half-days of computer training. It costs \$200 in this country.

This doesn't stand much scrutiny. This whole plan doesn't stand much scrutiny, and it is time for us to ask the tough questions. Clearly, this administration has not asked the tough questions.

I just found out they have \$3 billion for water projects in Iraq, when they proposed in our country cutting water projects by 40 percent. They cut the water projects in America 40 percent and put in \$3 billion for water projects in Iraq. I don't think the American people had any idea they were signing up to pay for a ZIP Code in Iraq or to have a witness protection program that costs \$1 million a family or that they were going to be building \$3 billion worth of water projects in Iraq. That wasn't the deal they signed onto. That is the deal this administration wants us to take, and all of this in the midst of the biggest deficits in our history, when we are having to borrow every dime. It does not make any sense. The very least we should do is pay for these costs and not put it on the charge card one more time. That is why the Biden amendment should be supported. He is asking the wealthiest among us to pay it.

This is not a matter of what some people claim of going after the rich. Look, my wife and I are in this category. We pay additional taxes under

this amendment. I am voting it because it is the right thing to do. We should not be increasing the deficit of the United States.

We should not be putting it on the charge card when we already have record deficits. We ought to pony up and pay for the decisions we have made. Paying for this would just be a beginning. We would still have record deficits, by far the biggest in our history. We ought to support this amendment as a sign that we are getting serious about facing up to our fiscal challenges in this country. We also ought to adopt a series of amendments to cut the waste out of this proposal by the administration.

If this measure is not adopted, we ought to support other amendments to pay for these initiatives and other amendments to scrub this whole proposal for the fat and the waste that is so clearly included. It is intolerable to say to the American taxpayer, pay these costs, all of it with borrowed money, all of it to be paid by future generations of Americans. That is not the way we have conducted ourselves in the past, and it ought not to be the way we conduct ourselves now and in the future.

I urge my colleagues to support the Biden amendment.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. It is my understanding that we have 6 minutes 20 seconds remaining on our side.

The PRESIDING OFFICER. Six minutes twenty seconds, correct.

Mr. GRASSLEY. I yield myself such time as I might consume of that amount.

There are three big problems with Senator BIDEN's amendment. One is substantive and two are procedural. Before I go into the problems with Senator BIDEN's amendment, I will say that I agree with everybody's concern, including his, about the size of the package and the concern that we should have about the Federal deficit. Hopefully, as the economy grows—and the last figures indicate it is growing now at 3.4 percent—Federal revenues will return then to their average levels of 18 to 19 percent of the gross domestic product, which is an average of over the last 60 years, and we will close the gap.

I also point to the fact that there are really two sides to the Federal ledger. One is the revenue side; that is, what comes in from the taxes paid by our factory workers, office workers, and farmers from across the America. The other side of the ledger is the spending side of the ledger, the appropriations bills by the Congress of the United States.

My friends on the other side of the aisle, as Senator BIDEN's amendment shows, are zeroing in exclusively on the tax side. They look only to the taxpayers to put our fiscal house in order. I agree with the goal of reducing the

deficit. I disagree that it is appropriate to look at only one side as if what is wrong with America and what is the cause of the deficit is that American taxpayers are undertaxed and that in no way Congress overspends. Indeed, the Finance Committee approved a bill yesterday that included \$55 billion in revenue offsets. So Republicans have been willing to exercise fiscal discipline, especially when it comes to closing corporate loopholes and curtailing tax shelters.

I ask the full Senate, who was the last Democrat to propose any savings on the spending side of the ledger? I do not recall a single spending cut being proposed by those on the other side of the aisle. Maybe back in the mid-1990s, but we would have to go back many years.

All I see, and Senator SANTORUM makes this clear with his spendometer chart, is spending increases. So if those on the other side want to claim to be fiscal disciplinarians, let us see entries on the spending side of the ledger in order for there to be credibility. We cannot just go to the American people and ask for more tax money.

Let me also say that I am concerned about the degree to which taxpayers are financing reconstruction in Iraq on a blank check basis. I first raised this concern almost a year ago. We ought to be very careful about the structure of this aid package. Maybe it should be a loan or have some equity interest for the taxpayers.

Now I would like to turn to Senator BIDEN's amendment. Let us go to the substantive problems first. Senator BIDEN is seeking to offset the President's \$87 billion request with a tax increase. For 2001, the top rate was reduced to 38.6. For 2003, the top rate was reduced to 35 percent. Senator BIDEN's amendment would raise the top rate to 38.2 percent. The premise of Senator BIDEN's position seems to be that taxpayers in the top bracket are solely Park Avenue millionaires, clipping coupons and enjoying life. Well, the facts show quite differently.

According to the Treasury Department, about 80 percent of the benefits of the top rate go to small businessowners, people who create 80 percent of the new jobs in America. For the first time in many years, because of our tax bills, we have that top rate down to 35 percent, which is the very same as Fortune 500 companies. Senator BIDEN's amendment would restore a 10-percent penalty against small business, 38.2 percent, as opposed to 35 percent now for small business, the same as corporations.

I do not quarrel with the notion that taxpayers in the top bracket make incomes starting in the range of around \$350,000 to \$400,000. A lot of these successful small businessowners make those figures. But keep in mind that figure represents the total net income of those small businesses. Successful small businesses are those that purchase the equipment and hire those